

MINUTES OF REGULAR MEETING - VIDEO
OPEN SESSION
July 23, 2015
ILLINOIS GAMING BOARD
Chicago, ILLINOIS

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Thursday, July 23, 2015 a Regular Meeting - Video of the Illinois Gaming Board ("Board") was held on the 5th floor at 160 N. LaSalle at the Michael J. Bilandic Building, Chicago, Illinois. The Open Session on Video Gaming started at approximately 9:34 A.M. Present were Chairman Don Tracy, Members Lee Gould, Hector Alejandre and Member Dunn.

APPROVAL OF MINUTES – Open Session

Member Gould moved that **the Board approve the open session minutes of its Regular Meeting of May 28, 2015**. Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.

PUBLIC COMMENTARY-

- Andrea Kirchner – Cash Out Gaming, Inc.
- Kenny Tolbert – SMP Communications – Player Tracking
- Anita Bedell – ILCAAP – Executive Director – Gambling Rewards Program
- Kathy Gilroy – Video Gaming at Children's Arcades
- Melynda Litchfield – National Victims Advocate – Video Gaming Marketing

MANUFACTURER, DISTRIBUTOR, SUPPLIER LICENSE RENEWAL:

- **CountR GmbH - Supplier Licenses Renewal**
Based on staff's investigation, Member Alejandre moved **to approve the Supplier License of CountR GmbH, for a period of one year, set to expire in July 2016**. Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **Curo Group, LLC – Supplier License**
Based on staff's investigation, Member Alejandre moved **to approve the renewal of the Supplier License of Curo Group LLC, for a period of one year, retroactive to June 2015, set to expire in June 2016**. Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- **M3 Technology Solutions, LLC – Supplier License Renewal**
Based on staff's investigation, Member Dunn moved **to approve the renewal of the Supplier License of M3 Technology Solutions, LLC for a period of one year, set to expire in July 2016**. Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- **NRT Technology Corp. – Supplier License Renewal**
Based on staff's investigation, Member Dunn moved **to approve the renewal of the Supplier License of NRT Technology Corp. for a period of one year, retroactive to June 2015, set to expire in June 2016.** Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.
- **HAPP Controls, Inc. – Distributor License Renewal**
Based on staff's investigation, Member Alejandre moved **to approve the renewal of the Distributor License of HAPP Controls, Inc. for a period of one year, retroactive to June 2015, expiring in June 2016.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

TERMINAL OPERATOR LICENSEE ITEMS:

Initial Request for License

- Fox Gaming LLC
Based on staff's investigation, Member Gould moved to deny applicant Fox Gaming LLC as they have failed to meet the burden to demonstrate qualifications and suitability for licensure. Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.
- Universal Gaming Group, LLC and Illinois Gaming & Coin-Op LLC
Based on staff's investigation, Member Gould moved **to renew the terminal operator licenses of Universal Gaming Group, LLC and Illinois Gaming & Coin-Op LLC, for a period of one year, set to expire in July 2016.** Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.
- AP Gaming LLC
Based on staff's investigation, Member Alejandre moved **to renew the terminal operator license of AP Gaming LLC for a period of one year, retroactive to June 2015, expiring in June 2016.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.
- Hyperactive Gaming, LLC
Based on staff's investigation, Member Alejandre moved **to renew the terminal operator license of Hyperactive Gaming, LLC for a period of one year, retroactive to May 2015, expiring in May 2016.** The motion passed by a vote of 3-0 with Member Gould abstaining from the vote.
- Illinois Gold Rush, Inc.
Based on staff's investigation, Member Alejandre moved **to renew the terminal operator license of Illinois Gold Rush, Inc. for a period of one year, retroactive to January 2015 and expiring in January 2016.** Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.

- DSG Amusement, LTD.
Based on staff's investigation, and our review of materials provided in connection with the renewal process, Member Dunn moved **to Table consideration of the terminal operator license renewal of DSG Amusement, Ltd., until the August 2015 Board meeting, due to outstanding documents and information from the applicant.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

TECHNICIAN & TERMINAL HANDLER LICENSEE ITEMS:

Based on staff's investigation, Member Gould moved **to approve 67 Terminal Handler Licenses and 1 Technician License.** Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.

Based on staff's investigation and recommendation, Member Gould moved **to authorize the Administrator to issue notices of denial to the following individuals: Joseph Michael Felcman, Ruben Carrion, Brandon Jerry Eller, David Larue and Marc Martinez.** Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.

VIDEO GAMING LOCATION LICENSEE ITEMS:

- Video Gaming Location License Approvals & Denials:
Based on staff's investigation, Member Dunn moved **to approve 124 Video Gaming Location Licenses.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

Based on staff's investigation and recommendation, Member Dunn moved **to rescind the Denial Notices issued to Vonch LLC, Pure Night Club Corp., and Lenny's Food N Fuel, LLC and place the applicants back into pending status for further review.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

ADMINISTRATIVE REQUESTS FOR HEARING & REQUESTS TO REAPPLY:

- Requests for Hearing
Mexican Woman Gaming LLC
Based on staff's investigation, Member Alejandre moved **to deny the request for hearing from Mexican Woman Gaming LLC as it has failed to establish a prima facie case for hearing.** Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.

Pure Night Club Corp.

Based on staff's investigation and recommendation, Member Alejandre moved **to deny the request for hearing from Pure Night Club Corp as moot based on the Board's earlier action rescinding the denial.** Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.

- Requests to Reapply

Based on staff's investigation and recommendation, Member Gould moved **to grant the requests to reapply from Wiley-Mumford Post #764 of the American Legion, Inc. d/b/a American Legion Post 764, and Fraternal Order of Eagles, Decatur Aerie #507.** Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.

DISCIPLINARY ACTIONS:

Based on staff's recommendation and additional information presented from these licensees, Member Gould moved **to rescind the Disciplinary Complaints to the following licensees for their failure to timely submit requested materials to the Board: Chicago Gaming Distributors, LLC, Illinois Gaming Investors LLC d/b/a Prairie State Gaming, LLC Illinois Operators, Inc., Tangent Gaming Capital, LLC, Tap Room Gaming, LLC, Gaming & Entertainment Management-Illinois LLC, Schaffner Gaming LLC and Metro East Video Gaming, Inc.**

Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.

- Hyperactive Gaming, LLC

Based on staff's investigation and recommendation, Member Alejandre moved **to issue a Disciplinary Complaint to revoke the Terminal Operator License of Hyperactive Gaming, LLC and for violations of the Board's Adopted Rules. Said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed, a \$400,000 fine is paid and Hyperactive Gaming LLC disassociates with Edward Plotkin within that timeframe.** Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.

- Gaming & Entertainment Management-Illinois LLC (\$10,000 Fine)

Based on staff's investigation, Member Gould moved **to issue a Disciplinary Complaint to revoke the terminal operator license of Gaming Entertainment & Management, Illinois due to its failure to notify the Board prior to relocating VGTs, said action to take effect 21 days from the date of service of the Complaints unless Answers are properly filed or a \$10,000 fine is paid within that timeframe.** Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.

- Gold Rush Amusements, Inc.

Based on staff's investigation, Member Dunn moved **to issue Disciplinary Complaint to revoke the terminal operator license of Gold Rush Amusements,**

Inc. due to its failure to notify the Board prior to relocating VGTs and for its association with a previously denied applicant, said actions to take effect 21 days from the dates of service of the Complaint unless an Answer is properly filed or a \$105,000 fine is paid within that timeframe. Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.

- The Loft

Based on staff's investigation, Member Alejandre moved **to issue a Disciplinary Complaint to revoke the establishment license of The Loft due to its operation of VGTs without a valid liquor license, said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed or a \$2,500 fine is paid within that timeframe.** Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.

- Shenanigans, Inc.

Based on staff's investigation, Member Dunn moved **to issue a Disciplinary Complaint to revoke the establishment license of Shenanigans, Inc. due to illegal gambling at the location, said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed or a \$1,000 fine is paid within that timeframe.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- Dave Schellar, Mark Swinney, Chris Hill, Eric Hoelscher, Zebulun Lemonds

Based on staff's investigation, Member Gould moved **to issue a Disciplinary Complaint to revoke the terminal handler licenses of Dave Schellar, Mark Swinney, Chris Hill, Eric Hoelscher and Zebulun Lemonds due to engaging in conduct which discredits the gaming industry, said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed within that timeframe.** Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.

- Christina Volpe and Louis Primbas

Based on staff's investigation, Member Alejandre moved **to issue a Disciplinary Complaint to revoke the terminal handler licenses of Christina Volpe and Louis Primbas due to misrepresenting information to the Board, said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed with that timeframe.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- Smeez Inc. d/b/a Big Daddy's Disco Diner

Based on staff's investigation, Member Dunn moved **to issue a Disciplinary Complaint to revoke the establishment license of Smeez Inc. d/b/a Big Daddy's Disco Diner due to its failure to provide updated ownership information to the Board, said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed or a \$1,000 fine is paid within that**

timeframe. Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- Baczek Enterprises, Inc. d/b/a AJ's Bar

Based on staff's investigation, Member Gould moved **to issue a Disciplinary Complaint to revoke the establishment license of Baczek Enterprises, Inc. d/b/a AJ's Bar due to illegal gambling at the location, said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed or a \$1,000 fine is paid within that timeframe.** Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.

- Rockford Hospitality of IL Inc. d/b/a Mr. C's Family Restaurant

Based on staff's investigation, Member Alejandre moved **to issue a Disciplinary Complaint to revoke the establishment license of Rockford Hospitality of IL Inc. d/b/a Mr. C's Family Restaurant due to owner John Conforti's felony conviction and his failure to disclose the conviction, said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed within that timeframe.** Member Dunn seconded the motion. The Board approved the motion unanimously by roll call vote.

- Richard Rot, Cass Dates, Richard Jones

Based on staff's investigation, Member Dunn moved **to issue a Disciplinary Complaint to revoke the terminal handler licenses of Richard Rot, Cass Dates, Richard Jones due to their failure to update their application to disclose arrest and convictions, said action to take effect 21 days from the date of service of the Complaint unless an Answer is properly filed or a \$500 fine is paid within that timeframe.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- LZ Entertainment LLC

Based on staff's investigation, Member Gould moved **to accept the proposed settlement agreement from LZ Entertainment LLC; delegate to the Administrator the authority to execute such settlement in the amount of \$200,000; and authorize legal counsel to present the executed settlement agreement to the Administrative Law Judge for disposition of this matter.** Member Alejandre seconded the motion. The Board approved the motion unanimously by roll call vote.

At 10:28 A.M. Member Dunn motioned to adjourn and Member Gould seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator